



REPORT TO THE CITY COUNCIL

December 5, 2006

FROM: RUSSELL C. WIDMAR, AAE
Director of Aviation

SUBJECT: REJECT ALL MULTI-PRIME BIDS FOR THE FRESNO YOSEMITE INTERNATIONAL
AIRPORT BAGGAGE CLAIM PROJECT, BID FILE No. 2673.

AGENDA ITEM NO.	
COUNCIL MEETING	12/05/06
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends that the City Council reject all multi-prime bids received for the Fresno Yosemite International Airport (FYI) baggage claim project due to bids exceeding the engineers estimates by up to ten times in certain instances.

EXECUTIVE SUMMARY

The Department of Airports is planning multiple expansion projects in the main terminal at FYI. This project will expand the baggage claim area to provide for much needed additional capacity. The bid documents were packaged as a multi-prime bid to attract participation of individual subcontractors on the local level. The result was that a number of bids were received for bid packages from one or two general contractors and no subcontractors while other bid packages did attract some subcontractors. All but one bid exceeded the engineers estimate and the project budget. The bids received exceeded funding provided by the Federal Aviation Administration (FAA) and required airport match. Staff will re-evaluate the project scope, engineers estimate and method of project delivery prior to any re-bidding exercise. There is no impact to the General Fund from this action.

KEY OBJECTIVE BALANCE

This action supports a balanced approach to the three key objectives of Customer Satisfaction, Employee Satisfaction, and Financial Management. Re-evaluating the project scope and method of project delivery prior to any re-bidding will enable this important project to continue moving forward, which is a key element to providing Customer Satisfaction. Employee Satisfaction will be increased by enabling staff to explore alternate methods to deliver this project timely and on budget. The Financial Management objective is achieved by not awarding a project that is beyond the funding level provided by the FAA and Airports revenues.

BACKGROUND

This project is the first of multiple terminal enhancement projects designed to increase customer service levels in the pre-screening areas of the terminal at FYI. In this phase the baggage claim area will be expanded to accommodate current and future growth at FYI. CSHQA, architects, engineers, and planners, was retained through a competitive selection process to design and prepare construction documents and detailed cost estimates. The cost estimate was generated using current industry

methods and adjusted for specific local (Fresno) conditions. It was re-evaluated multiple times during the design phase and most recently during the week preceding this bid opening.

The project was originally bid in conjunction with the security check point project in April 2006. At that time only one bid was received which Council rejected on June 6, 2006. During this bidding effort it was determined that there was a lack of general contractor interest (only one bid received at 154% above the engineers estimate) but there was substantial subcontractor interest.

The bidding documents were then repackaged into two projects (bag claim and security check point) and further refined into separate subcontractor components. This bidding effort was for the bag claim package only. The result was that a number of bids were received from one or two general contractors while some bid items did attract subcontractor bids. All but one bid far exceeded the engineers estimate and the project budget.

The Purchasing Division expended considerable time "beating the bushes" and made numerous calls to facilitate and measure interest in the project. In addition, two pre-bid meetings were held to maximize exposure and provide sufficient opportunity for prospective bidders to visit the site and ask questions.

Plans and specifications were prepared for the project by CSHQA. The engineers estimate for the bag claim project was \$1,500,000. A Notice Inviting Bids for the bag claim project in a multi-prime format was advertised in the Business Journal on October 30, 2006, posted on the City's web site and distributed to eight (8) building exchanges. Specifications were requested by and distributed to forty one (41) prospective bidders. A total of thirty eight (38) sealed bid proposals for 17 separate bid packages were received and opened in a public bid opening on November 21, 2006.

Staff recommends that all bids be rejected. Rejection of the bids will enable staff to move forward with evaluating the project scope and methods of project delivery prior to any re-bidding exercise.

FISCAL IMPACT

The FAA is funding 95% of the project budget through a Federal Airport Improvement Program (AIP) grant. The remaining required 5% local match will be provided by Airport Revenues. The project is included in the City's FY 2007 Amended Budget. There is no impact to the General Fund.

Attachments:

- Evaluation of Bid Proposals
- Site map

EVALUATION OF BID PROPOSALS

Page 1

FOR: **FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL EXPANSION-BAGGAGE
CLAIM FACILITY** (Multi-Prime Bids)

Bid File No. 2673
Bid Opening: November 21, 2006

BIDDERS'S	TOTAL NET BID AMOUNT
BID PACKAGE BP-A: BAGGAGE CLAIM DEVICES	
1. G & S Mechanical USA, Inc. 50 Slater Road Strathmore, AB TIP1J3	\$286,000.00
2. G&T Conveyor Company 476 Southridge Industrial Drive Tavares, FL 32778	\$478,700.00
3. Lewis C. Nelson and Sons, Inc. 3400 McCall Avenue, 100 Selma, CA 93662	\$510,000.00
BID PACKAGE BP-B: ROOFING – SINGLE PLY MEMBRANE	
1. Roof Systems, Inc. dba Nations Roof West 5463 E. Hedges Fresno, CA 93727	\$186,351.00
2. Graham Prewitt, Inc. 2773 N. Business Park Ave #102 Fresno, CA 93727	\$201,800.00
3. Lewis C. Nelson and Sons, Inc. 3400 McCall Avenue, 100 Selma, CA 93662	\$332,000.00
BID PACKAGE BP-C: PAVEMENTS AND FOUNDATIONS	
1. Davis Moreno 4720 N. Blythe Ave Fresno, CA 93722	\$489,000.00
2. Lewis C. Nelson and Sons, Inc. 3400 McCall Avenue, 100 Selma, CA 93662	\$695,000.00
BID PACKAGE BP-D: STRUCTURAL STEEL, ARCHITECTURAL ROOFING	
1. Davis Moreno 4720 N. Blythe Ave Fresno, CA 93722	\$766,000.00

EVALUATION OF BID PROPOSALS

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FOR: **FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL EXPANSION-BAGGAGE
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Bid File No. 2673
Bid Opening: November 21, 2006

- | | |
|---|----------------|
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$1,070,000.00 |
|---|----------------|

BID PACKAGE BP-E: WALL FRAMING/FINISHES

- | | |
|---|--------------|
| 1. Tarlton & Son, Inc.
4173 S. Fig Avenue
Fresno, CA 93706-9629 | \$777,747.00 |
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$799,000.00 |
| 3. Davis Moreno
4720 N. Blythe Ave
Fresno, CA 93722 | \$987,000.00 |

BID PACKAGE BP-F: ELECTRICAL, ACCESS CONTROL, CCTV, COMMUNICATIONS

- | | |
|---|----------------|
| 1. Collins Electrical Co., Inc.
1809 N. Helm Avenue
Fresno, CA 93727 | \$414,922.00 |
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$1,799,000.00 |

BID PACKAGE BP-G: FIRE ALARM

- | | |
|---|--------------|
| 1. Collins Electrical Co., Inc.
1809 N. Helm Avenue
Fresno, CA 93727 | \$253,925.00 |
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$350,000.00 |

BID PACKAGE BP-H: SELECTIVE DEMOLITION

- | | |
|---|--------------|
| 1. W.C. Maloney
P.O. Box 30326
Stockton, CA 95213 | \$57,900.00 |
| 2. Bowen Engineering & Environmental
4664 S. Cedar Ave
Fresno, CA 93725 | \$148,400.00 |
| 3. Davis Moreno
4720 N. Blythe Ave
Fresno, CA 93722 | \$255,000.00 |

EVALUATION OF BID PROPOSALS

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Bid Opening: November 21, 2006

- | | |
|---|--------------|
| 4. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$329,000.00 |
|---|--------------|

BID PACKAGE BP-I: TEMPORARY AND PERMANENT FENCING

- | | |
|---|-------------|
| 1. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$98,000.00 |
|---|-------------|

BID PACKAGE BP-J: PAINTING

- | | |
|---|-------------|
| 1. WM. B. Saleh Co.
1364 N. Jackson
Fresno, CA 93703 | \$30,335.00 |
| 2. Nelson's Painting Inc.
2594 Ashcroft Ave.
Clovis, CA 93611 | \$65,600.00 |
| 3. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$85,000.00 |

BID PACKAGE BP-K: ACCOUSTICAL PANEL CEILINGS

- | | |
|---|--------------|
| 1. Western Building Materials Co.
4620 E. Olive
Fresno, CA 93702 | \$74,700.00 |
| 2. AcousticTec
2508 W. Belmont Ave.
Fresno, CA 93728 | \$93,693.00 |
| 3. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$160,000.00 |

BID PACKAGE BP-L: FLOORING

- | | |
|---|--------------|
| 1. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$190,000.00 |
|---|--------------|

BID PACKAGE BP-M: HVAC - MECHANICAL

- | | |
|--|--------------|
| 1. New England Sheet Metal Works, Inc.
2731 South Cherry Avenue
Fresno, CA 93706 | \$300,000.00 |
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$559,000.00 |

EVALUATION OF BID PROPOSALS

Page 4

FOR: **FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL EXPANSION-BAGGAGE CLAIM FACILITY** (Multi-Prime Bids)

Bid File No. 2673

Bid Opening: November 21, 2006

BID PACKAGE BP-N: FIRE SPRINKLERS

- | | |
|---|--------------|
| 1. Transbay Fire Protection, Inc
2182 Rheem Dr.
Pleasanto, CA 94588 | \$125,350.00 |
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$249,000.00 |

BID PACKAGE BP-O: ARCHITECTURAL PANELS AND COLUMN SURROUNDS

- | | |
|---|--------------|
| 1. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$249,000.00 |
| 2. ISEC, Incorporated
41734 Christy Street
Fremont, CA 94538 | \$420,686.00 |

BID PACKAGE BP-P: SIGNAGE

- | | |
|---|-------------|
| 1. Davis Moreno
4720 N. Blythe Ave
Fresno, CA 93722 | \$59,014.00 |
| 2. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$60,000.00 |

BID PACKAGE BP-Q: CONSTRUCTION CLEANUP SERVICES

- | | |
|---|--------------|
| 1. Lewis C. Nelson and Sons, Inc.
3400 McCall Avenue, 100
Selma, CA 93662 | \$259,000.00 |
|---|--------------|
-

The Engineer's Estimate for this expenditure as seventeen bid packages is \$1,395,620. The total of the recommended awards is \$0.00 which is _____% above the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation: The sum total of the lowest bids of the seventeen bid packages amount to an overage of 331% of the Engineer's Estimate.

BACKGROUND OF PROJECT (To be completed by Evaluating Department/ Division. Explain need for project/equipment): This project is the first of multiple terminal enhancement projects designed to increase customer service levels in the pre-screening areas of the terminal at FYI. In this phase the baggage claim area will be expanded to accommodate current and future growth at FYI.

The project was originally bid in conjunction with the security check point project in April 2006. At that time only one bid was received which Council rejected on June 6, 2006. During this

EVALUATION OF BID PROPOSALS

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CLAIM FACILITY** (Multi-Prime Bids)

Bid File No. 2673

Bid Opening: November 21, 2006

bidding effort it was determined that there was a lack of general contractor interest (only one bid received) but there was substantial subcontractor interest.

The bidding documents were then repackaged into two projects (Baggage Claim and the Security Checkpoint) and further refined into separate subcontractor components. This bidding effort was for the Baggage Claim package only. The result was that a number of bids were received from one or two general contractors while some bid items did attract subcontractor bids. But most bids far exceeded the engineers estimate and the project budget.

The Purchasing Division expended considerable time "beating the bushes" and made numerous calls to facilitate and measure interest in the project. In addition, two pre-bid meetings were held to maximize exposure and provide sufficient opportunity for prospective bidders to visit the site and ask questions.

Plans and specifications were prepared for the project by CSHQA. The engineers estimate for the Baggage Claim project was \$1,395,620. A Notice Inviting Bids was advertised in the Business Journal on October 30, 2006, posted on the City's web site and distributed to eight (8) building exchanges. Specifications were requested by and distributed to forty one (41) prospective bidders. A total of thirty eight (38) sealed bid proposals for 17 separate bid items were received and opened in a public bid opening on November 21, 2006.

EVALUATION OF BID PROPOSALS

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FOR: **FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL EXPANSION-BAGGAGE CLAIM FACILITY** (Multi-Prime Bids)

Bid File No. 2673

Bid Opening: November 21, 2006

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

☐ Award the following

BID PACKAGE BP-A: BAGGAGE CLAIM DEVICES:

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-B: ROOFING – SINGLE PLY MEMBRANE

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-C: PAVEMENT/FOUNDATIONS

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-D: STRUCTURAL STEEL, ARCHITECTURE ROOFING

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-E: WALL FRAMING/FINISHES

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-F: ELECTRICAL, ACCESS CONTROL, CCTV, COMMUNICATIONS

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-G: FIRE ALARM

Award a contract in the amount of \$_____ to _____

as the lowest responsive and responsible bidder for Bid Package BP-G

BID PACKAGE BP-H: SELECTIVE DEMOLITION

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-I: TEMPORARY AND PERMANENT FENCING

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-J: PAINTING

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-K: ACCOUSTICAL PANEL CEILINGS

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-L: FLOORING

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-M: HVAC - MECHANICAL

Award a contract in the amount of \$_____ to _____

BID PACKAGE BP-N: FIRE SPRINKLERS

Award a contract in the amount of \$_____ to _____

EVALUATION OF BID PROPOSALS

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CLAIM FACILITY (Multi-Prime Bids)

Bid File No. 2673
Bid Opening: November 21, 2006

BID PACKAGE BP-O ARCHITECTURAL PANELS AND COLUMN SURROUNDS

Award a contract in the amount of \$ _____ to _____

BID PACKAGE BP-P SIGNAGE

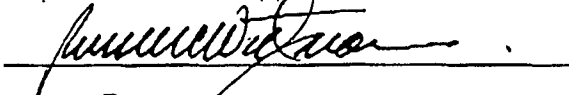
Award a contract in the amount of \$ _____ to _____

BID PACKAGE BP-Q CONSTRUCTION CLEANUP SERVICES

Award a contract in the amount of \$ _____ to _____

☒ Reject all bids. Reason: Sum total of the lowest bids of the seventeen bid packages exceeds the Estimate and budget. This amounts to a sum total bid 331% of the Engineer's Estimate. The Financial Management objective is achieved by not awarding a project that is beyond the funding level provided by the FAA and Airports revenues.

Department Head Approval



Title DIRECTOR OF AVIATION

Date 11/28/06

☒ Approve Dept. Recommendation

☐ Approve GSD/Purchasing Recommendation

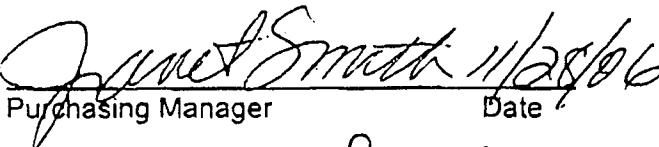
☐ Disapprove

☐ Disapprove

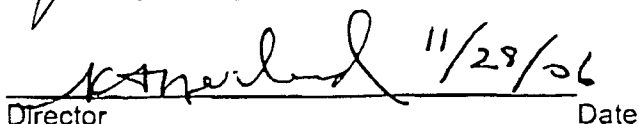
☐ See Attachment

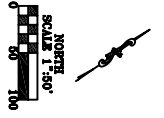
GENERAL SERVICES DEPARTMENT

CITY MANAGER


Purchasing Manager Date


City Manager or Designee Date


Director Date



FIRE
STATION

RENTANCE

ASHLEY WAY

RENTAL CAR
SERVICE FACILITY

Phase 1 - BAGGAGE CLAIM
REHABILITATION &
EXPANSION

TERMINAL BUILDING

HOURLY PARKING LOT

RESERVED
PARKING LOT

DAILY
PARKING
LOT

DAILY PARKING LOT

EMPLOYEE
PARKING LOT

